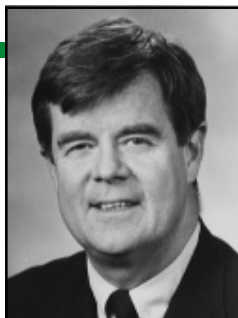


Rep. Marlin Appelwick



Sen. Ken Jacobsen



Rep. Phyllis Gutierrez Kenney

46th Legislative District News 1998

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House Rules

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Law & Justice
Higher Education

Dear Friends and Neighbors:

As we head into the 1998 legislative session, Washington state is in its sixth year of economic prosperity. Due to our booming economy, we will have surplus funds which will either go into reserve funds or be returned to citizens in the form of tax cuts. Possible options for this surplus money run the gamut: from tax cuts to businesses, to a reduction in license tab fees to a tax rebate check of \$70 to every man, woman and child in this state.

Despite our rosy economic picture, our state still has several challenges. Transportation problems are mounting. Our schools' economic situation is worsening, as inflation pressures mean that students get less money each year. Our health care programs are becoming more inaccessible for the working poor with 80,000 now on the waiting list for the Basic Health Plan.

Meanwhile, talks on energy deregulation will become increasingly important at both the state and federal levels. If proposed deregulation of our electricity occurs, could we in Washington pay 30% more on our electric bills? Meanwhile, recent partial deregulation in the telecommunications industry has not been problem-free, as consumers are beset with confusing choices and rising rates.

Other major issues include farm worker housing, juvenile crime prevention, changes for DUI laws, giving the courts greater power to deal with mentally-ill offenders and restoration of our salmon population.

We invite you to discuss transportation and other issues on Wednesday, January 7 at a special Town Hall Meeting. We look forward to listening to your concerns, as we advocate for the interests of the 46th District. In the upcoming 60-day legislative session, Rep. Appelwick will continue in his third year as House Minority Leader. Rep. Kenney will remain active on the Appropriations, Higher Education and Law and Justice Committees. Sen. Jacobsen is on the Energy and Utilities, Natural Resources, and Transportation Committees. As always, it is an honor to serve as your 46th District Representatives.

Regards,


Marlin Appelwick
State Representative


Ken Jacobsen
State Senator


Phyllis Kenney
State Representative



Deregulation and Your Electric Bill

We in Washington state enjoy the nation's cheapest, cleanest power. Deregulation could change our stable situation. Will it be a change for the better or a change for the worse? Proponents suggest that deregulation would decrease our rates. But opponents point to a Department of Energy study that predicts our home electric rates in the Northwest could increase by 30% if efforts to deregulate the electric industry succeed. Major industrial interests have been pushing for rapid deregulation.

Under deregulation, you would choose your power company much like you now choose long distance companies. The disadvantage is that the largest industries and out-of-state buyers could get the cheapest rates by buying in bulk. Small businesses and residential customers could be left paying higher, convenience-market prices.

Proponents of deregulation argue that Washington state should deregulate now because other states are already deregulating power and Congress may pass legislation that deregulates the industry nationally. However, opponents of deregulation say it would be wise to watch the experiences of other states and learn from their mistakes. For example, deregulation is not being implemented smoothly in California. It's caused a proliferation of companies vying for a huge energy market. Consumers are confused -- besieged by advertising by more than 100 new companies who are soliciting their business for diverse services like transmission, delivery and metering of service.

There are other risks to deregulation. Utilities will be tempted to increase the amount of power considered "surplus," to sell outside our region to markets such as California, which will bid higher for power. That could result in "brown-outs," such as experienced on the East Coast. In order to maintain price competitiveness, utilities may be tempted to cut back on maintenance programs, such as tree-trimming around power lines to reduce line losses during storms.

There's also the issue of worker layoffs and downsizing. Other industries that have deregulated -- such as trucking and airlines -- experienced the loss of

thousands of jobs. If utilities reduce the number of personnel or cut back on worker training, we could see more worker injuries, less maintenance and have to wait longer to get our power restored during outages.

There could be other losses. When profit becomes the driving force in energy sales, will companies continue to pay for things consumers consider important, such as low-income energy assistance, restoring salmon runs hurt by hydro dams, weatherization programs for the elderly and poor, and generating power with more expensive, clean-burning fuel?

Last session, we supported legislation to launch a formal study of the costs and benefits associated with deregulation. That bill died, but we still believe in an open, public process for this purpose. As deregulation talks proceed, we'll continue to seek protections for consumers.



Deregulation and Your Telephone Bill

In the next few months, your telephone bill may go up. Initially, US West sought to increase phone bills by an extra \$10-\$25 each month. If that proposed increase had been approved, residential phone bills would have more than doubled!

Fortunately, Democrats were successful in blocking legislation which would have raised rates to that level. Instead, the Utilities and Transportation Commission (UTC) has recommended a more modest rate increase averaging \$2.60 a month on residential and \$2.00 a month for business telephone rates. This increase is only a fraction of the size of the increase which US West initially supported. The exact rate increase will be set sometime in the next few weeks.

The impact of this increase may be mitigated by another factor. In a few weeks, the State Supreme Court should issue a key ruling on a possible US West rate rollback to phone customers. The rollback dates back to an April 1996 decision by a lower court that Washington phone customers deserve a reduction of rates. That lower court decision was appealed by US West and a higher court decision is likely soon. A simultaneous rate increase and decrease is an

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indication of the rapid change in the telecommunications industry since deregulation. Stay tuned. The issue is not yet fully resolved and continued vigilance on behalf of consumers is essential to prevent unreasonable rate hikes in the future.



Transportation

The Greater Seattle area is now the sixth most traffic-congested area in the nation. Overall in Washington state, traffic has doubled in the last 15 years. And the trend is for more growth — as more than 100,000 people enter our state each year.

Ironically, the state has a huge surplus in its general fund, but has decreased transportation funding. In fact, this year's transportation budget is \$100 million less than last year's budget. That means we can barely keep up with maintenance of existing roads. No major new construction is funded this biennium and reduced funds have forced delays in existing highway projects.

Last session, a bipartisan group of legislators proposed a gas tax increase of 7 cents (approximately \$40 a year per driver), to be phased in over two years. That would have enabled the state to raise \$2 billion (through the gas tax and the issuance of new bonds backed by those dedicated funds). Republican leaders say they will not raise the issue of a gas tax this session. Other Republicans disagree. Meanwhile, Governor Locke will request a gas tax in his transportation funding package.

Should we raise the gas tax? Most people don't realize that a major portion of Washington's transportation system is paid from the gas tax, followed by vehicle license fees and excise taxes. Washington's 18th Amendment specifies that the gas tax is dedicated to transportation needs, such as roads and ferries. Gas taxes are flat taxes that do not keep pace with inflation. In fact, Washington's gas tax has been raised only a nickel per gallon in the last eight years -- far less than the rate of inflation. That's not all. Consumers are buying less gas per vehicle, a consequence of more fuel-efficient cars.

What do you think about a gas tax? When the gas tax question is raised, some angry voices also raise. However, there is growing support for a higher gas

tax, including endorsements from Chambers of Commerce.

Ultimately, we need to be realistic. Solving our transportation crisis is much more complicated than raising the gas tax. Or building more freeways. Increasingly, we will have to look to alternative forms of transportation.

We're making some progress concerning alternative transportation. Gradually, the Regional Transit Authority initiative (now called Sound Transit) is being phased in, linking mass transit options in Central Puget Sound, including Everett, Bellevue, Seattle and Tacoma. This system of expanded regional bus service, commuter rail, a starter light rail system and increased community connections, is scheduled to be completed over the next decade. When completed, Sound Transit will save us the equivalent of one 12-lane highway. Other proposed solutions include more car pool lanes, separation of rail track and road lines so freight can be moved faster, expansion of light rail, passenger-only ferries and more. The recent Monorail vote creates possibilities, but also has the potential for problems.

Meanwhile, we cannot procrastinate too long. Traffic tie-ups mean increased air pollution, more accidents, more travel time and less freight mobility. The direct impact of traffic on Puget Sound residents is estimated at \$1.3 billion each year in lost productivity and wasted fuel.



Maximizing Puget Sound Parks

Puget Sound has always been one of the best places in the country to play, fish and enjoy the great outdoors. But by the year 2010, the Puget Sound region will grow by more than 1 million, placing greater recreational demands on our existing parks and communities. In addition, changing demographics, healthier and more active lifestyles, and improvements in recreation technology will all lead to growing public demand for areas where families can have fun together.

This session Sen. Jacobsen will embark on a long-term vision of creating the Cascade Foothills State Park. The western slope Cascade foothills, from

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Canada to Thurston County, provide a wealth of existing and potential outdoor recreation areas that are close to the great majority of the urbanized areas of Puget Sound. Within this area there are many state lands, including state park units, that may provide the nucleus for a state park system comprised of multiple units to serve the region and the entire state.

Under proposed plans, the state Parks and Recreation Commission would review existing facilities and state land in this area, as well as make recommendations for future recreational opportunities and forecast recreational demands within the Cascade foothills. This must be done with maximum public input, so that a network of government and non-government groups are working together. Local citizens deserve a voice in how their parks are managed.



College Promise: Increased Financial Aid Opportunities

It has always been one of our top priorities to help make post-secondary education opportunities readily available to families with modest incomes. This year Senator Jacobsen will sponsor the "College Promise" proposal, which shall award grants to students from families with less than \$33,000 income (up from \$26,000 for a family of four), to cover the full cost of resident tuition (up to the University of Washington level). Students attending an independent institution would receive a financial aid grant equivalent to the tuition at the University of Washington to help cover their cost. This small shift will extend financial aid to an additional 7,000 students statewide and widen their options to meet their educational needs for success in America. It doesn't begin to address all the inequities in the higher education system, but it's a start.

We also want to address the higher education needs of the 8,000 foster children currently in the Washington state system. While many of them probably dream of college, their situation may not afford that opportunity. And the older these children get, the fewer of them get adopted. For these kids, and the adults who adopt them into their families, Sen. Jacobsen will introduce legislation that would

help make this dream a reality. Under that proposal, the state would invest in the Prepaid College Tuition Plan for each foster child who is adopted. Then, by the time these children are 18, their full college tuition would be covered, should they choose to attend. This legislation builds on the Prepaid College Tuition Plan sponsored by Rep. Kenney last session.

We also want to address state scholarship funding (to match federal dollars) for the National Service Scholars program which recognizes high school students for outstanding community service. The Corporation for National Service is offering matching \$500 scholarships for students who receive local scholarships for community service. Sen. Jacobsen's proposal would award scholarships to three high school seniors in each legislative district. We should demonstrate to children today that community service is valued, as is higher education.



Basic Health Plan

Each year the state's Basic Health Plan helps the working poor purchase affordable medical insurance. This month, about 150,000 of Washington's workers will come face to face with sizeable increases in their BHP premiums. Many will have to choose between basic necessities and continuing their health care coverage. Many will gamble on their health and forego insurance.

Furthermore, as it turns out, we won't be able to expand BHP coverage to 8,000 more low-income families, as the majority party had promised last spring. Why? A return of medical inflation is pushing up the cost of state-purchased health care insurance, forcing the state to use those extra dollars to cover inflation.

Consequently, the 1998 Legislature will likely be wrestling with the fallout from lower subsidies and higher state costs. And hundreds of the newly insured may decide they can't afford the higher rates, which in some cases will triple. (For example, a person now paying \$34 a month will have to pay \$103 for the same coverage in January).

Remember, it's not just the 600,000 uninsured residents of this state who stand to benefit from broader health care coverage. And, consequently, the

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rolls of the uninsured in Washington may swell yet again, reversing the progress made in recent years.

We must take action and make expanding health care coverage a priority during the 1998 session. And, with approximately \$350 million surplus in state funds (between incoming funds and the limit set by

Initiative 601) we have the means to boost the BHP. It will cost only an additional \$7 million to expand BHP coverage to the levels we'd envisioned earlier this year. Talks are already underway to dedicate cigarette tax money to fund the BHP.

Basic Health Plan Premium Ranges Are Changing For 1998 *(For one adult, age 19-64)*

Income Level	Premium Range (1997)	Premium Range (1998)
Under 66 percent federal poverty level	\$10	\$10 - \$60.71
66 - 100 percent FPL	\$10	\$12 - \$62.71
100 - 125 percent FPL	\$10	\$15 - \$65.71
125 - 140 percent FPL	\$10 - \$34.30	\$23.87 - \$103.04
140 - 155 percent FPL	\$10 - 51.24	\$32.82 - \$122.66
155 - 170 percent FPL	\$10 - \$68.17	\$39.78 - \$137.92
170 - 185 percent FPL	\$15.25 - \$85.11	\$48.73 - \$157.54
185 - 200 percent FPL	\$22.97 - \$102.05	\$58.68 - \$179.35
Above 200 percent FPL (full premium)	\$95 - \$252	\$113.57 - \$527.84



Farm Worker Housing

In May 1997, Governor Gary Locke vetoed SSB 5668 which would have allowed the provision on temporary on-farm housing at standards less stringent than existing state building codes. This decision followed an intense debate on how to address Washington state's farm worker housing strategy.

The need is real and urgent. Virtually everyone agrees that the need for farm worker housing in Washington has reached serious proportions and must be addressed. We must resolve the need for adequate housing for the thousands of workers who put food on our table and are the driving force behind the economic well-being of the agricultural industry in this state.

Housing, like other work conditions, has a cumulative effect on the well-being of farm workers. The average annual income for farm workers in Washington is \$7,000. There is no sick leave, vacation time, or pension. In addition, farm workers are exposed to workplace hazards, improper field sanitation, inadequate access to health care, and other poor conditions.

At the request of Governor Locke, Rep. Kenney, growers, advocates of farm workers and other government officials are meeting to work out an agreement for farm worker housing. This issue affects all of us as consumers -- as we reap the benefits of low-wage farm worker labor.

It is our hope that the stakeholders, who have been meeting since the last session, will find a workable solution to this crisis.

TOLL-FREE LEGISLATIVE HOTLINE: 1-800-562-6000

46th
DISTRICT

TOWN
HALL
MEETING

Join us to discuss

TRANSPORTATION ISSUES

What: 46th District Town Hall Meeting

When: Wednesday, January 7, 7:00-8:30 p.m.


Where: North Seattle Community College, Library Building, Lecture Hall Room 1141 on the ground floor.

(Parking is available at no charge for this special event, but arrive early for good spaces. The north parking lot, with an entrance off N. 100th is the largest lot.)

46th Legislative District Newsletter

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